PHILIP MORRIS U.S.A. INTER-OFFICE CORRESPONDENCE
120 PARK AVENUE, NEW YORK, N.Y. 10017

TO: DISTRIBUTION DATE: August 26, 1991

FROM: Jose Fontanez

SUBJECT: PASO DEL NORTE FESTIVAL

Attached please find the initial synergy event status report which will summarize the logistics with respect to sponsorship of the Paso Del Norte Festival in El Paso, Texas.

The Paso Del Norte Festival offers a unique product promotion and public relations opportunity. This festival allows distribution of coupons, product-driven on-site store sales, signage and incentive sweepstake opportunities. Participation allows us to compete against the aggressiveness of R.J. Reynolds, Brown & Williamson and Lorillard.

The idea was originally presented to Philip Morris U.S.A. by the Honorable Susie Azar, former Mayor of El Paso. Now this event is endorsed by the newly elected Mayor, the Honorable Bill Tilney, who encourages the continued participation of Philip Morris Companies Inc.

In its first year under management by the Southwest Marketing Group, the main objective of the festival is to entertain and educate consumers throughout the El Paso market, moreover, net proceeds from the event will be divided among local charities.

On-site, through the participation of the El Paso Tourism Bureau, exhibits will highlight various countries around the world. This will help to create an international atmosphere, as well as provide entertainment for the festival attendees. The countries represented will provide video presentations as well as exhibitors dressed in native costumes.

This event is intended to grow annually and become the signature event for El Paso, Texas. El Paso/Juarez are the largest cities, in their respective countries, sharing a common border. The population of the metroplex area is 1.5 million. El Paso does not currently have an event of this nature or an event of this size.

Should you have any questions or require additional information, please feel free to contact me on extension 2361.

Attachment

JF.mh

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